



Alma Recurrent Global Natural Resources Fund

A sub-fund of Alma Capital Investment Funds SICAV



As of 31 March 2021

Fund description

- Investment objective: the fund seeks total return by investing in global natural resource-related companies.
- Typical industries in which the fund invests: energy, basic materials, infrastructure, transportation and logistics
- The fund may invest in companies of any market size capitalization, including IPOs
- The investment process incorporates macroeconomic and commodity supply/demand factors with fundamental company analysis

Investment manager: Recurrent Investment Advisors, LLC (US)

- Recurrent Investment Advisors is focused on understanding and profiting from commodity cycles to make differentiated natural resource investments
- Formed in April 2017. Registered as an investment adviser with the U.S. Securities and Exchange Commission (SEC)
- Primarily owned by its co-founders Mark Laskin and Bradley Olsen, who both have extensive experience in energy investing
- Based in Houston, Texas (US)

Cumulative performance (%)

	1 M	3 M	6 M	YTD	1Y	3Y	ITD	ITD (annualized)
I EUR C shares	8.10	21.99	54.40	21.99	88.95	-	13.41	4.67
I USD C shares	4.67	17.18	54.73	17.18	102.39	-	14.41	5.01
Index*	2.10	11.59	35.86	11.59	66.45	-	9.17	3.23

Fund launched on 29 June 2018

*S&P Global Natural Resources Net Total Return Index USD

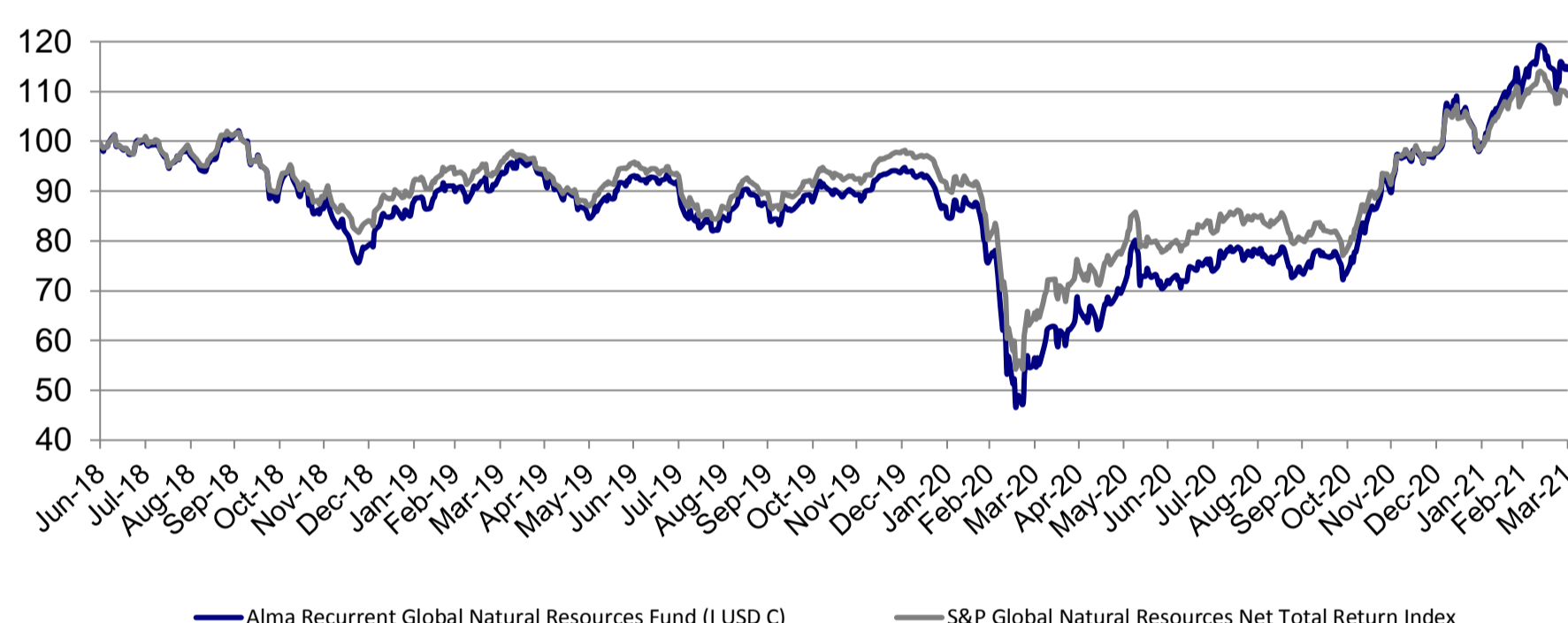
Portfolio characteristics

Main indicators	Fund	Index*
No. of securities	46	89
Weighted Average Market Cap (\$ bn)	43.8	57.8
Median Market Cap (\$ bn)	25.5	19.2
Estimated Price/Earnings (x)	66.3	199.5
Price/Book (x)	1.5	1.7
Price/Sales (x)	0.9	1.2
Estimated Long Term Growth (%)	7.2	8.8
Active Share (%)	59.7	-

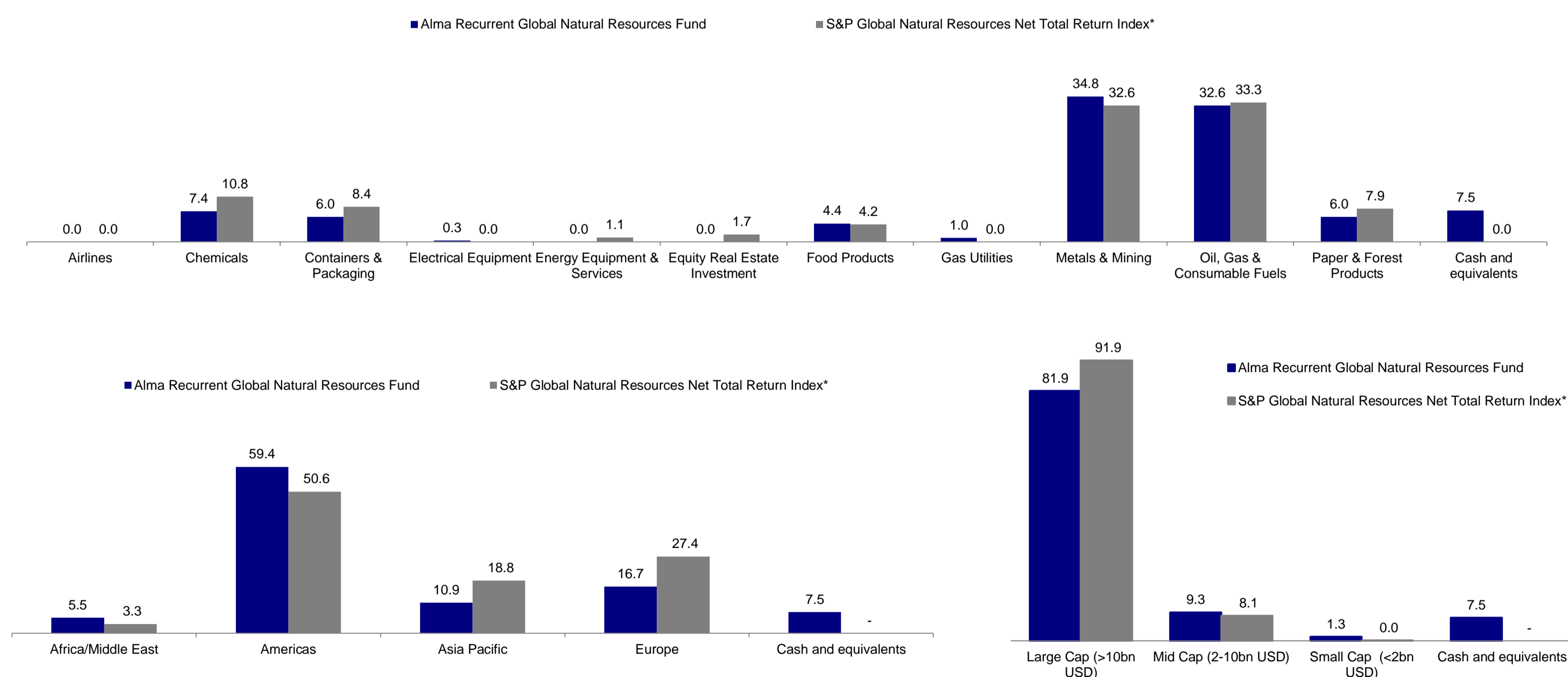
*S&P Global Natural Resources Net Total Return Index

Except number of securities, using "SPDR S&P GLOBAL NATURAL RESOURCES ETF" as a proxy

Performance (Indexed - Base 100)



Industry, region and market cap breakdown (% NAV)



*Using "SPDR S&P GLOBAL NATURAL RESOURCES ETF" as a proxy

Investment manager's commentary

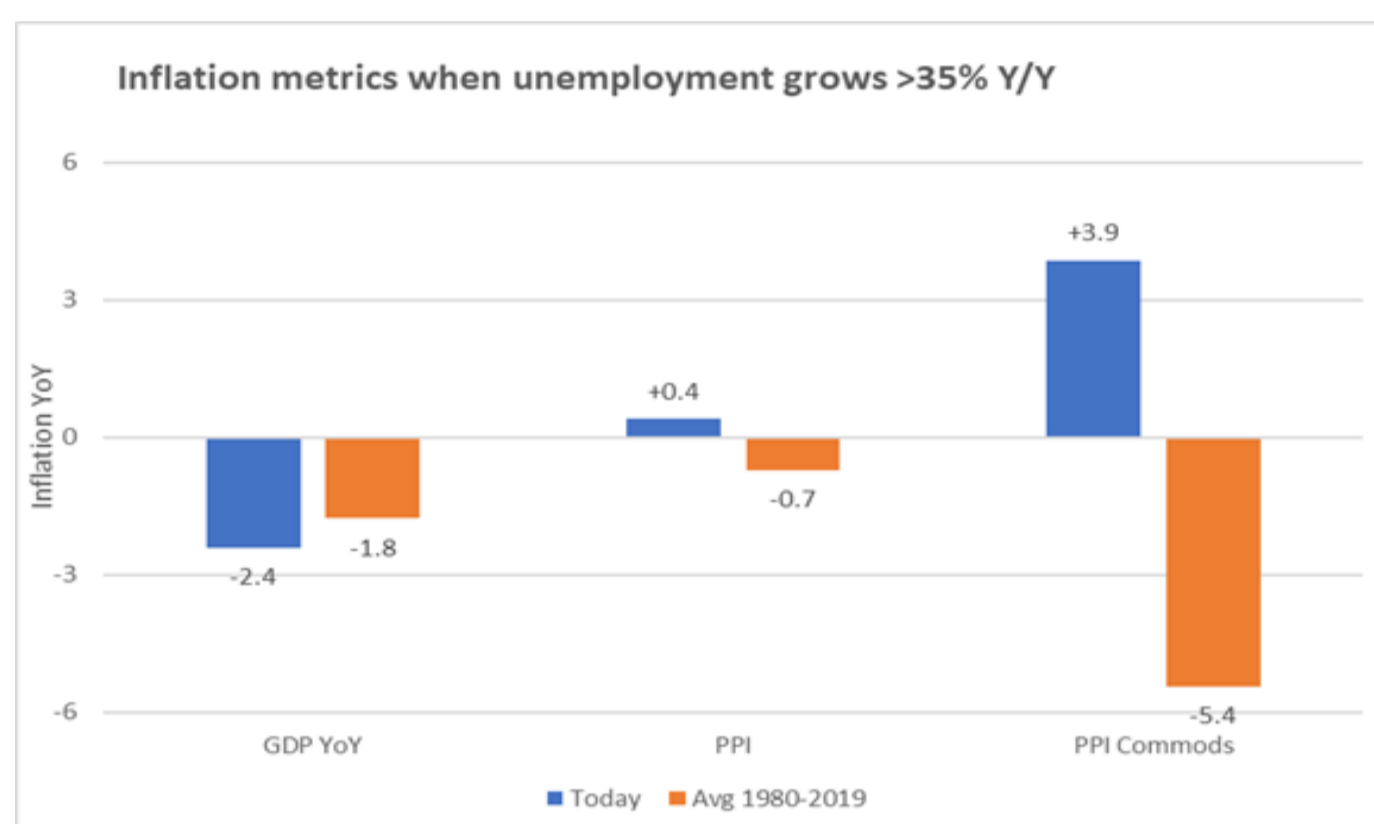
Portfolio Discussion

Global natural resources markets outpaced broader markets as improving economic prospects and increased inflation expectations supported the sector. The Alma Recurrent Global Natural Resources Fund rose 4.67%, outperforming the S&P Global Natural Resources Index's 2.10% return. During the month, the portfolio's overweight position and stock selection in the steel sector both added significant value, as did portfolio holding Alcoa. Stock selection in the Oil and Gas Exploration and Production mildly detracted from performance during the month.

Investment discussion

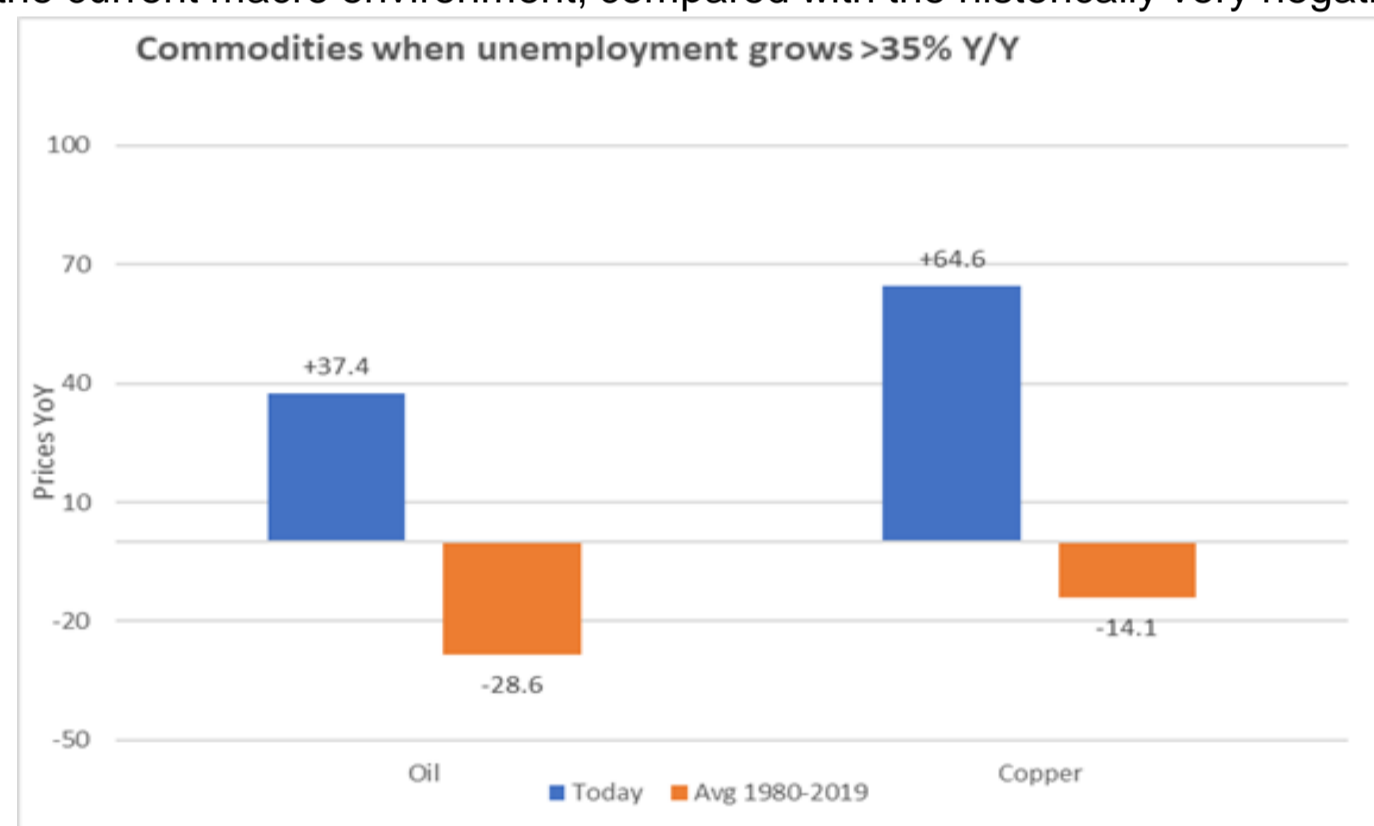
Unemployment and inflation almost never go together, but they coexist today – why?

Historical periods of weak/negative GDP growth and elevated unemployment have generally coincided with low inflation and negative commodity price performance. This relationship is well established: During the 40 years from 1979 to 2019, periods of rising unemployment and falling GDP have generated negative average producer price index (PPI) inflation readings and typically more strongly negative PPI Commodity Index (PCI) readings. Today, both of those metrics are in positive territory, as shown in the charts below. Given the lagged nature of these datasets, these metrics are all but certain to continue their increase in coming months.



Data through February 28, 2021. Source: Bloomberg data, Recurrent research.

Within the PPI Commodity Index, oil and copper, as well as their derivatives, are significant components – we see below that those commodities are also unusually strong given the current macro environment, compared with the historically very negative commodity performance in recessionary environments over the last 40 years.



Data through February 28, 2021. Source: Bloomberg data, Recurrent research.

Inflation today looks restrained... but only if we assume today's COVID-impacted economy is already "back to normal" – which it clearly is not

Today, these leading indicators of inflation remain restrained, by the standards of a "normal, healthy" economy. But as shown above, when we restrict the data to include only recessionary periods (when unemployment has grown >35% Y/Y, when GDP growth is almost always negative), we see that today's environment is highly anomalous. Given the painful memories of commodity performance in 2020 during the depths of COVID, it is understandable that allocators are hesitant to add commodity-levered assets early in the post-COVID recovery – but as inflation continues to accelerate and fiscal stimulus impacts the real economy, out-of-favor asset classes like natural resources may once again become core holdings as investors from current positioning – which seems to be overweight in assets like growth equities and bonds, which benefit from low rates – into a more inflation-resilient posture.

Top 10 positions details

Security name	Industry	Country	% NAV
ANGLO AMERICAN PLC	Metals & Mining	South Africa	5.53
ALCOA CORP	Metals & Mining	United States	5.06
ARCELORMITTAL	Metals & Mining	Luxembourg	4.54
FREEMPORT-MCMORAN INC	Metals & Mining	United States	4.51
BHP GROUP LTD-SPON ADR	Metals & Mining	Australia	4.16
WESTROCK CO-WHEN ISSUED	Containers & Packaging	United States	4.07
NUTRIEN LTD	Chemicals	Canada	4.02
CENOVUS ENERGY INC	Oil, Gas & Consumable Fuels	Canada	3.29
TOTAL SE-SPON ADR	Oil, Gas & Consumable Fuels	France	3.25
SUNCOR ENERGY INC	Oil, Gas & Consumable Fuels	Canada	3.00
TOTAL:			41.43

Fund facts

Fund total net assets:	\$36.26 M	Dealing:	Each day with a 1-day notice	Cut-off time : 12 pm CET
Fund domicile:	Luxembourg	Identifiers:	Institutional USD Capitalisation share class	
Countries where the fund is registered:	Luxembourg, France, Germany	Isin: LU1823602369	Ticker: ARGNIUC LX	Launch: 29 June 2018
Fund type:	UCITS SICAV	Institutional EUR Capitalisation share class		
Base currency:	USD	Isin: LU1845388146	Ticker: ARGNIEC LX	Launch: 29 June 2018
Management fee:	0.95% p.a.			

Depository, Administrator, Transfer Agent:	BNP Paribas Securities Services (LU)
Management company:	Alma Capital Investment Management (LU)
Investment manager:	Recurrent Investment Advisors (US)
Fund managers:	Mark Laskin Bradley Olsen

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